

STATE OF CONNECTICUT

DEPARTMENT OF TRANSPORTATION

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Office of the Commissioner

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Public Hearing – March 14, 2011 Transportation Committee

Testimony Submitted by Acting Commissioner James P. Redeker Department of Transportation

H.B. 6567 – An Act Concerning the Disposition of Excess State Property Acquired for Transportation Purposes, and Making Technical Revisions to Real Property Acquisition and Condemnation Procedures.

(ConnDOT proposal)

The Department of Transportation (Department) supports H.B. 6567 to ease the transfer of excess property and provide consistency in the terminology used throughout CGS 13a-73.

The changes to CGS 13a-80 are proposed to 1) clarify the statutory requirement for a public bid for properties that conform to zoning; 2) provide cost saving measures once statutory requirements are met; and 3) increase the threshold for requiring two appraisals for the release of state property.

Current language in CSG 13a80 states "...the department shall obtain a second appraisal if such property is valued over one hundred thousand dollars and is not to be sold through public bid or auction." This would imply that the Department has the means to sell properties without holding a public bid. It is in the best interest of the state and the general public to have all properties that conform to zoning announced for public bid. The Department's current policy reflects this notion and the modified language would ensure transparent transactions via public bids.

In addition, the statute as currently written does not provide a mechanism for the Commissioner to continue to market properties for sale when a public bid elicits no bids, other than to have another public bid. Increasing advertising costs, as well as indirect costs such as personnel resources, make selling state property solely through a public bid inefficient. One public bid would be required, as stipulated in the paragraph above. If no bids are received, then the Commissioner may continue to market the property for sale and release the property without further public notice. This would save in advertising costs, allow the Department flexibility in developing a sale, and expedite a potential sale by interested buyers after the public bid has occurred.

Finally, CGS 13a-80 requires that a second appraisal be obtained for properties over one hundred thousand dollars (\$100,000) and are not sold by public bid. This would occur for sole abutter sales and for sales to former residential property owners upon which a single-family dwelling

was situated at the time it was obtained by the department for highway purposes if the sale occurs within 25 years of the properties acquisition (13a-80(c)). Presumably, requiring two appraisals for properties valued above \$100,000 was to ensure "valuable" properties were appraised appropriately. The \$100,000 threshold was established in 1986 with the addition of subsection (b) to the statute. Since the threshold has not been adjusted in 25 years, it is requested to increase it to \$250,000. The increase to \$250,000 will reduce contracting costs to the Department's contracted appraiser and reduce delays in releasing state property.

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For further information or questions, please contact Pam Sucato, Legislative Program Manager for the Department of Transportation, at (860) 594-3013.